

**EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST**  
**BOARD OF MANAGERS MEETING NOTES**  
**CARLYLE, ILLINOIS**  
**February 27, 2017**

**I. CALL TO ORDER:**

A meeting of the Board of Managers of the Egyptian Area Schools Employee Benefit Trust was held on Monday, February 27, 2017, at Governor's Run in Carlyle. Chairman Jeff Dosier called the meeting to order at approximately 10:00 a.m. Sign-in sheets indicated there were 74 people in attendance, including 57 representatives from 42 districts and 17 advisors and guests.

The notes of the Board of Managers meeting of December 7, 2016 were approved as submitted.

**II. FINANCIAL REPORT:**

Tom Dahncke reported that on a cash flow basis the Trust had losses of about \$1.3 million in November and over \$900,000 in December, but January was positive by over \$500,000, leaving a negative fund balance at the end of January of about \$4 million. This means the Trust has sufficient cash and investment assets to pay claims, but the IBNR is not fully funded at this time.

**III. BUSINESS ITEMS:**

A. Report of TPA Services – Meritain Health.

Maria Llewellyn reported that the annual bookkeeper meetings have been scheduled for July 26, 27 and 28 in Effingham, Marion and Fairview Heights.

B. Report of Care Coordinators by Quantum Health.

Cyndee Bronars reported that Quantum has enhanced its care coordinator services with a primary nurse model, including specialists in high risk pregnancies, transplants and behavioral health issues. Quantum has also added a pharmacist to its staff.

C. Report of Voluntary Dental and Vision Services – Ameritas.

Kip Koll reported that Ameritas has added an oral surgeon in Quincy. He also advised that Ameritas is partnering with a company that offers hearing aid devices and home hearing tests which can be ordered online and taken at home. Information about this new program will be available on the website.

D. Report of Network Services – Coventry/Aetna.

Tracy Jenkins reported that the Aetna Coventry integration is now complete.

E. Report of Benefits Committee.

Matt Klosterman advised that the Benefits Committee has two recommendations for approval by the Board of Managers.

*PBM Services.* Matt explained that the Committee interviewed two consulting firms about conducting an RFP process for PBM services and also met with Keenan Pharmacy Services. Keenan manages a coalition of school districts which covers about 500,000 employees and dependents for prescription drug services. The contract terms Keenan has negotiated with Express Scripts are available to all coalition members, giving the Trust the benefit of the buying power of the much larger group. Keenan applied the current Keenan/Express Scripts discounts and rebate guarantees to the Trust's actual prescription drug claim experience for 2016 and determined the Keenan program would result in at least \$2.7 million in annual savings for the Trust, with a potential for additional annual savings of over \$800,000. Matt explained that Keenan annually conducts an RFP and/or negotiates updated pricing to ensure the contract terms with Express Scripts remain competitive over time. The program also includes an audit of all prescription drug claims to make sure the Trust receives all the pricing terms stated in the contract. The Benefits Committee recommends moving to Express Scripts under the Keenan program effective June 1 to capture the savings as soon as possible.

Tom Dahncke explained that he and Leo talked with several groups now using the Keenan/Express Scripts program, including a large school cooperative similar to the Trust, and all provided very positive references. This move will not require any change in prescription drug benefits or copays, though there will be some differences in formulary and step therapy programs. Almost all pharmacies members use are in the Express Scripts network. Keenan identified only three Illinois pharmacies Trust members used in 2016 that are not in the pharmacy network.

Kristin Graf from Express Scripts stated that new ID cards and a welcome packet will be issued to all members before the proposed June 1 effective date. Members who may be affected by formulary differences will receive individual letters and will be grandfathered with their current medications for 90 days so they will have time to consider alternatives. Existing prescriptions with open refills in the CVS/Caremark mail order pharmacy or specialty pharmacy will be automatically transferred to the Express Scripts mail order pharmacy or specialty pharmacy, Accredo. For medications which require prior authorization (PA), the PA with CVS/Caremark will continue in effect until the specified expiration date. Express Scripts has a 90 day retail program so members may continue buying maintenance medications at retail pharmacies for the current retail 90 day copays.

Gerry Blaum from the Keenan group stated that the coalition is more than 10 years old and focuses almost exclusively on school districts in over 34 states. Keenan makes every effort to keep costs down and is passionate about savings. He stated there are no commissions and no hidden fees. He emphasized that Keenan's outside auditor will make sure that the Trust receives the savings guaranteed under the contract.

Brad Detering (Salem #600) made a motion, seconded by Mark Scott (North Greene), to adopt the recommendation to join the Keenan program and move to Express Scripts for PBM services effective June 1, 2017. Motion carried.

*Transplant Coverage.* Matt explained that the Benefits Committee also recommends that the Plan be amended to provide coverage for solid organ, tissue and stem cell transplants only at Institute of Excellence (IOE) transplant programs to ensure these procedures are performed in facilities with the most specialized expertise. In recent years all transplants in the Trust have been performed at IOE facilities so this will not have an adverse impact on any members currently undergoing these procedures.

Eric Frankford (Valmeyer) made a motion, seconded by Brad Detering (Salem #600), to adopt the recommendation to limit transplants to IOE facilities effective beginning June 1, 2017. Motion carried.

#### IV. NEXT MEETING AND ADJOURNMENT:

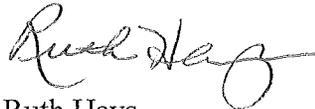
Tom Dahncke reminded members that this meeting was held in lieu of the Board of Managers meeting previously scheduled for March 22. That meeting has been cancelled.

The next Board of Managers meeting is scheduled for the following date:

- Wednesday, May 10, 2017

There being no further business, the meeting was adjourned.

Respectfully submitted,



Ruth Hays

**ATTENDANCE**  
**February 27, 2017**

**Advisors and Guests:**

Meritain – Maria Llewellyn, Scott Giles  
Quantum Health – Cyndee Bronars  
Coventry/Aetna – Tracy Jenkins  
Ameritas – Kenny Tobey, Kip Koll  
TCOH – Jim Baxter, Gary Wright  
Trust Consultants – Tom Dahncke, Leo Hefner, Karen Giles  
Husch Blackwell LLP – Ruth Hays  
Bushue Human Resources – Jerome Pankey  
Keenan Pharmacy Services – Gerry Blaum, LaShai Payne  
Express Scripts – Kristin Graf, Dan Milkens

**District Representatives:**

Altamont #10 – Susan Janz, Melanie Thornton  
BASSC – Brian Arteberry  
Beecher City #20 – Scott Cameron  
Belleville #118 – Tammy Gramlich, Matt  
Klosterman  
Belleville #201 – Jeff Dosier, Shawn Coughlin  
Brownstown #201 – Adam Bussard  
Carmi-White County #5 – Brad Lee  
Centralia City Schools #135 – Mike Middleton,  
Rita Carpenter  
Charleston #1 – Judy Adair  
Dieterich #30 – Cary Jackson  
Fairfield #112 – Diana Zurliene  
Flora #35 – Joel Hackney  
Harmony-Emge #175 – Dennis O’Neill,  
Pam Leonard  
Herrin #4 – Terry Ryker  
Kaskaskia Special Ed #801 – Jessie Winkeler  
Marissa #40 – Jane Schaeffer  
Martinsville #C-3 – Jill Rogers  
Mascoutah #19 – Frank Williams, Craig Fiegel  
Mid-State Special Ed – Brenda Patrick  
Monroe-Randolph ROE #45 – Tricia Bockhorn  
Mount Vernon City Schools #80 – Linda Crusier,  
Aletta Lawrence  
Neoga #3 – Ben Johnson  
North Greene #3 – Shane Feltes, Mark Scott  
Oakland #5 – Lance Landeck  
Patoka #100 – David Rademacher  
Quincy #172 – Joel Murphy, Ryan Whicker

Salem #111 – Connie Graham, Leslie Foppe, Gayla  
Wilkerson  
Salem HS – Brad Detering  
Sandoval #501 – Lisa VonderHaar  
Shawnee #84 – Shelly Clover-Hill  
South Central #401 – Kerry Herdes, Sara Rose, Ginny Keen  
South Eastern Special Ed. – Lori Davis  
St. Clair County ROE #50 – Vikki Bisso  
Sullivan #300 – Brad Tuttle  
Teutopolis – Bill Fritcher  
Trico #176 – Cathy Lindner, Melissa Wettig,  
Larry Lovel  
Tri County Special Ed. – Chelsea Hagene  
Valmeyer #3 – Eric Frankford  
Wabash #348 – Darlene Underwood  
Waterloo #5 – Brian Charron  
Wesclin #3 – Jennifer Filyaw  
West Washington #10 – Melinda Albers